

FISCAL IMPACT STATEMENT ON BILL NO. **H.3149, As Amended**

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TO:	The Honorable Thomas C. Alexander, Chairman, Senate General Committee		
FROM:	Office of State Budget, Budget and Control Board		
ANALYSTS:	Kenneth Brown, Harry Bell		
DATE:	April 4, 2007	SBD:	2007267

AUTHOR:	Representative Toole	PRIMARY CODE CITE:	43-5-252
SUBJECT:	Food Assistance - Lawful Presence in State		

ESTIMATED FISCAL IMPACT ON GENERAL FUND EXPENDITURES:
A Cost to the General Fund (See Below)

ESTIMATED FISCAL IMPACT ON FEDERAL & OTHER FUND EXPENDITURES:
\$0 (No additional expenditures or savings are expected)

BILL SUMMARY:

The Bill, as amended, would provide that a person may not receive food assistance payments, including food stamps unless the person verifies that they are lawfully in the state and further requires that a person apply for such benefits through the Systematic Alien Verification of Entitlement Program.

EXPLANATION OF IMPACT:

Section 43-5-254 requires the Department to provide education and counseling services to all persons determined eligible to receive food stamps. There are approximately 500,000 food stamp recipients statewide. The Department of Social Services (DSS) estimates it would need an average of two employees (a Nutritionist and an Administrative Specialist) per county to implement this additional responsibility. Estimated salary and fringe benefits for ninety-two staff is estimated at 3,000,000.

LOCAL GOVERNMENT IMPACT:

None.

SPECIAL NOTES:

DSS states that implementation would likely result in some eligibility cases being determined as out of compliance with federal law and characterized as errors. According to DSS if the state's error rate exceeds the federal tolerance level by three percent, a monetary sanction may be incurred. The Department estimates such a monetary sanction could reach \$2,000,000.

Approved by:



Harry Bell
Assistant Director, Office of State Budget